

Message Text

CONFIDENTIAL

PAGE 01 PRETOR 00902 161431Z
ACTION AF-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-10 NSAE-00
PA-01 USIA-06 SP-02 COME-00 EB-08 PM-05 NSC-05
SS-15 /063 W
-----043249 170404Z /23

R 161405Z FEB 78
FM AMEMBASSY PRETORIA
TO SECSTATE WASHDC 475
INFO AMCONSUL CAPE TOWN
AMCONSUL DURBAN
AMCONSUL JOHANNESBURG

C O N F I D E N T I A L PRETORIA 902

CAPE TOWN ALSO FOR EMBASSY

E.O. 11652: GDS
TAGS: PINT, SOPN, SF
SUBJECT: THE CITIZEN IS SOLD

1. PRESS ACCOUNTS REPORT ON FEBRUARY 15 THAT LOUIS LUYT, THE OWNER OF THE ENGLISH LANGUAGE DAILY THE CITIZEN, HAS SOLD THE PAPER TO UNIDENTIFIED INTERESTS. LUYT STATED THAT THE BUYERS ARE A CONSORTIUM THAT HAS SOME FOREIGN INTERESTS. THE ONLY PERSONS IDENTIFIED IN THE CONSORTIUM ARE DUTCHMAN HUBERT JUSSEN, NOW CHAIRMAN OF THE CITIZEN, AND HONANNES VAN ZYL ALBERTS, NOW MANAGING DIRECTOR. BOTH HAVE BEEN OUT OF TOWN AND UNAVAILABLE FOR COMMENT.

2. LUY HAS TOLD THE PRESS THAT HE RECEIVED "A GOOD DEAL" ON THE SALE AND THAT HE WAS NOW THROUGH WITH NEWSPAPERS "FOREVER". LUYT, AMILLIONAIRE WHO MADE HIS FORTUNE IN THE FERTILIZER BUSINESS, REPORTEDLY HAD BEEN RUNNING VERY HEAVY LOSSES WITH THE CITIZEN. SOME PRESS ACCOUNTS SAY THE LOSSES MAY HAVE BEEN AS MUCH AS R200,000 A MONTH RECENTLY WITH CIRCULATION AT ONLY 62,000 A DAY.
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PRETOR 00902 161431Z

GIVING IT THE LOWEST CIRCULATION OF THE SEVEN MAJOR DAILIES IN THE COUNTRY.

3. THE SALE HAS RAISED ONE IMMEDIATE ISSUE IN THE PRESS WORLD, THAT OF FOREIGN INTERESTS IN LOCAL NEWS-PAPERS. PRESS SPECULATION IS THAT WEST GERMANY'S AXEL SPRINGER AND AMCIT JOHN MCGOFF MAY BE INVOLVED IN THE

SALE. THESE TWO WERE INVOLVED IN 1975 IN A BID FOR THE SOUTH AFRICAN ASSOCIATED NEWSPAPER GROUP. THIS FOREIGN INVOLVEMENT IS BEING CRITICIZED BY ENGLISH LANGUAGE PAPERS HERE WHO HAVE RECALLED THAT PM VORSTER SPOKE AGAINST FOREIGN INVOLVEMENT IN NEWSPAPERS IN 1968 AND SAID THEN HE WOULD INTRODUCE LEGISLATION TO STOP IT. VORSTER DID NOT INTRODUCE THAT LEGISLATION, BUT HE REPLIED TO PRESS QUESTIONS THA THE PRESENT SALE "CANNOT BE EQUATED WITH THE SITUATION WHEN HE MADE THAT STATEMENT.

4. BEHIND THE SCENES TALK IS THAT THE CITIZEN IS SAG SUPPORTED, IF NOT OWNED, AND THAT, WHILE IT IS INDEED LOSING MONEY, LUYT WANTED OUT MORE BECAUSE OF THE INCREASINGLY RIGHTTEST IMAGE OF THE PAPER. WHATEVER LUYT'S REASONING, THE INFLUX OF CAPITAL FROM KNOWN CONSERVATIVES HAS INCREASED SUSPICIONS OF SOME NEWSPERSONS THAT THE CITIZEN IS A SAG MOUTHPIECE AND THAT IT IS BEING KEPT AFLOAT BY "LAUNDERED" MONEY THROUGH WILLING OVERSEAS INTERMEDIARIES. OTHER NEWSPERSONS COMMENT THAT HAD A MORE LIBERAL PAPER GOTTEN OVERSEAS FINANCING, PM VORSTER WOULD NOT HAVE REACTED SO NON-CHALANTLY.
NELSON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: THE PRESS, CONSORTIUMS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 feb 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978PRETOR00902
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780073-0028
Format: TEL
From: PRETORIA
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780246/aaaabnfx.tel
Line Count: 85
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 227547d5-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: ONLY
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 15 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3572018
Secure: OPEN
Status: NATIVE
Subject: THE CITIZEN IS SOLD
TAGS: PINT, SOPN, SF, THE CITIZEN
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/227547d5-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014